Statement of Corporate Intent
GEPCO 2026–29

Gujranwala Electric Power Company (GEPCO) for Strategic Performance Commitments FY 2026-27 to 2028-29, prepared in accordance with the State-Owned Enterprises Policy and aligned with GEPCO's Strategic Roadmap FY25329.

MINISTRY OF ENERGY (POWER DIVISION) | NEPRA LICENSED | PUBLIC LIMITED COMPANY



Preface

The Statement of Corporate Intent (SCI) FY 2026-27 to 2028-29 is a formal performance contract between GEPCO and the Ministry of Energy (Power Division), establishing strategic priorities, operational objectives, and business intentions for the three-year period.

Legal Compliance

Prepared in accordance with **Part 15 of the SOEs Policy** and complies with **Section 8 and Schedule 3 of the SOE Act**.

Performance Commitments

Records mutually agreed **performance commitments** between **GEPCO** and the **Ministry of Energy (Power Division).**

Strategic Alignment

Articulates GEPCO's strategic priorities, operational objectives, and business intentions — aligned with the **Strategic Roadmap FY25–29**.

Reporting Obligations

Sets out objectives, functions, principal activities, performance targets, community service obligations, asset management plans, risk management framework, and reporting obligations to the Minister.

1. **Name of State-Owned Enterprise:** Gujranwala Electric Power Company
2. **Incorporated/established on:** 25 April, 1998.
3. **Subsidiaries included in this statement of corporate intent:** NA
4. **Description of the main business of the state-owned Enterprise:**

Company Profile

Gujranwala Electric Power Company (GEPCO) is a public limited company duly registered with SECP under certificate of incorporation No. 09498 serving over 5.2 million consumers across all civil districts of Gujranwala Division, Punjab, Pakistan.

GEPCO holds Distribution Licence No. DL/04/2023 and Supply Licence No. SOLR/04/2023, both granted by NEPRA, positioning the company in its twin roles as Distribution Network Operator (DNO) and Supplier of Last Resort (SoLR).

In line with the Vision and Mission statements of the Company, the major objectives of the company include ensuring adequate, quality, uninterrupted and stable power supply to all its customers along with state-of-the-art customer care as well as establishing and operating reliable electricity distribution networks.

Founded

25 April 1998

Consumers

5.2 million+

Role

DNO & SoLR

Region

Gujranwala Division, Punjab

Vision, Mission & Core Values

Vision: "To become the leading Electric Power Utility in Pakistan and maintain that position."

Mission: "To maintain a high level of Safety and provide excellent customer services as an Electric Power Utility matching the standards set forth by the Regulator, while making profits and ensuring sustained growth. Infuse contemporary technology into our infrastructure and modernize it regularly.**"**

Core Values

Ethics

High professional standards of conduct, personal integrity, honesty, and fairness in all decisions.

Leadership

Seniors provide direction, means, and tools for success — empowering and developing individuals.

Teamwork

Diverse talents working in unison toward common objectives with mutual respect and open dialogue.

Culture of Excellence

Leadership, innovation, and achievements encouraged and rewarded at all levels.

Courtesy

Courteous with customers, stakeholders, and each other — encouraging open communication.

Integrity and Responsibility

Accountable as individuals and teams — welcoming scrutiny and holding ourselves to account.

5. Summary of the Business Goals of the State-Owned Enterprise:

Strategy Area	Strategic Goals	Measurement Mode	GEPCO Targets					Lead Office	Execution Office
			FY- 24-25	Current Year FY- 25-26	FY- 26-27	FY- 27-28	FY- 28-29		
1. Improving Customer Services	1.1. Customer service responsiveness	% Violations	0%	Current status to be maintained.				CSD	CE (O&M) Dist.
	1.2. Time frame for new connections Aggregated (All new connection applications)	% Violations	3.09%	Current status to be maintained.				CSD	CSD/ CE (O&M) Dist.
2. Operational Excellence	2.1. Progressive reduction in losses	Line Loss (%)	10.43%	10%	9.59%	9.18%	8.82%	CSD	CE (O&M) Dist./ CE (O&M) T&G
	2.2. Progressive improvement in recoveries	Actual recoveries %	100.43%	100%	100%	100%	100%	CSD	CSD/ CE (O&M) Dist.
	2.3. Improving Reliability SAIDI SAIFI	SAIDI (minutes per year)	3,834.68	3,451.21	3,606.3	3,240.18	2,871.00	COO	CE (O&M) Dist./ CE T&G (O&M)
		SAIFI (times per year)	49.5	44.6	47.8	43.4	38.90		

Strategy Area	Strategic Goals	Measurement Mode	GEPCO Targets					Lead Office	Execution Office
			FY- 24-25	Current Year FY- 25-26	FY- 26-27	FY- 27-28	FY- 28-29		
3. Safety	3.1. Development & Strengthening of Safety Management System	No. of safety trainings conducted.	1,061 Trainees (3,797 man-days)	1,098 Trainees (3,734 man-days)	4,000 man-days	5,000 man-days	6,000 man-days	COO	DG HSE Officer
	3.2. Removal of Safety Hazards	No. of safety Hazards Removed	Public: 329 Line Staff: 1,788	2,500	New hazard will be identified and removed. Reasonable budgetary provision will be provided in the business plan.			COO	DG HSE Officer
	3.3. Earthing/ Grounding	No. of Structures/ Poles/ distribution transformers earthed	42,173	270,082	Existing and new structures/ poles and distribution transformers to be earthed.			COO	CE (O&M) Dist.
	3.4. Safety Walks, seminars, public awareness	No. of Walks	7,180	9,108	9,250	9,500	9,750	COO	DG HSE Officer
	3.5. Reporting of Fatal/ Non-Fatal accidents (public & employees)	No. of Fatal/ Non-Fatal Accidents	9	5	0	0	0	COO	DG HSE Officer

Strategy Area	Strategic Goals	Measurement Mode	GEPCO Targets					Lead Office	Execution Office
			FY- 24-25	Current Year FY- 25-26	FY- 26-27	FY- 27-28	FY- 28-29		
	3.6 Third Party Audit of HSE Manual implementation	HSE Audit	-	-	Preparation of TORs, Bidding process & hiring of consultant	Conduct of Third party HSE Audit	Mitigation of identified gaps	COO	DG HSE Officer
4. Strategic Focus	4.1. Target for new connections	Number of '000' Connections Installed	344.7	303.7	328.9	351.6	373.5	CSD	CSD
	4.2. Conversion of conventional metering (Static and non-static) to AMI protocols.	> 25 kW	100%	To be maintained				CSD	M (AMI)
		5 - 25 kW	53%	100%	To be maintained				
		< 5 kW	0%	4%	7%	11%	15%		
	4.3 Credit Rating	Credit Rating of GEPCO	Completed	-	Jun-27	-	Jun-29	CFO	CFO/ DG (MIRAD)
5. Infrastructur	5.1. SCADA Phase 4 roll-out at 132kV voltage level in coordination with NPCC	SCADA Implemented.	Execution & Completion of Pilot Project.		100% deployment of SCADA in line with result of Pilot Project. (Subject to approval of NEPRA)			CTS	CE (Dev)

Strategy Area	Strategic Goals	Measurement Mode	GEPCO Targets					Lead Office	Execution Office
			FY- 24-25	Current Year FY- 25-26	FY- 26-27	FY- 27-28	FY- 28-29		
	5.2. Implementation of APMS	No. of APMS installed on general duty distribution transformers	Submission with NEPRA	462	607	4,466	4,466	COO	CE (O&M) Dist.
	5.3. Implementation of GIS Enterprise.	GIS Mapping of Network Phase 1 = HT Mapping	100%	To be updated and maintained				CTS	CE (INP)
		Phase 2 = LT Mapping with consumers	0%	4.5%	20%	60%	100%		

6. Summary of the Performance measures and benchmarks against the State-Owned Enterprise goals and its primary objective

7. Summary of the Strategies of the State-Owned Enterprise for achieving its business goals and primary objective.

Strategy Area	Strategic Goals	Measurement Mode	Primary Objective	Strategic Goals – Achievement Strategy
1. Improving Customer Services	1.1. Customer service responsiveness	% Violations	The objective is to ensure prompt and efficient response to customer complaints, service requests, and operational issues while maintaining minimum service violations. Improved responsiveness enhances customer satisfaction, strengthens public confidence, and improves the company's service image.	The objectives will be achieved through improved complaint management, enhanced monitoring of response timelines (CCMS+), and better coordination between field formations and customer service departments. Additionally, digital complaint handling systems, performance monitoring, and staff accountability mechanisms will be further strengthened to maintain high service standards.
	1.2. Time frame for new connections Aggregated (All new connection applications)	% Violations	The objective is to provide electricity connections to consumers within the prescribed timelines and minimize delays in processing applications.	Increasing digitization of application processing (Mobile and web-based application), and monitor compliance through regular reporting. Field offices will be directed to expedite surveys, estimations, and strictly follow per Consumer Service Manual timelines for installation of new connections.

Strategy Area	Strategic Goals	Measurement Mode	Primary Objective	Strategic Goals – Achievement Strategy
2. Operational Excellence	2.1. Progressive reduction in losses	Line Loss (%)	The objective is to progressively reduce technical and commercial losses in the distribution system in order to improve operational efficiency and financial sustainability.	GEPCO will implement extensive system rehabilitation and network strengthening works in line with the approved Investment Program for FY 2025-26 to FY 2029-30. For the plan period (FY 2026-27 to FY 2028-29), an allocation of Rs. 17,908 million has been approved for Secondary Transmission & Grid (STG) works, including establishment of 05 new grid stations, addition of 02 power transformers, extension of 08-line bays, construction of 21 new transmission lines (approximately 320 km), and reconductoring of 07 transmission lines (approximately 190 km). Furthermore, Rs. 8,401 million has been allocated for SAP (DOP & ELR) including execution of 105 HT works and 2,300 LT works to strengthen the distribution network and reduce technical losses. GEPCO will also continue installation of AMI/AMR meters, improve energy accounting, conduct anti-theft campaigns, replace overloaded transformers, and enhance monitoring of high-loss feeders. These measures will support achievement of the progressive loss reduction targets.

Strategy Area	Strategic Goals	Measurement Mode	Primary Objective	Strategic Goals – Achievement Strategy
	2.2. Progressive improvement in recoveries	Actual recoveries %	The objective is to maintain and improve recovery performance to ensure financial stability and efficient cash flow management.	GEPCO will strengthen recovery drives, improve billing accuracy through installation of AMI, enhance coordination with field formations, ensure timely disconnection of defaulters (AMI remote disconnect), and introduce digital payment facilitation for consumers.
	2.3. Improving Reliability SAIDI SAIFI	SAIDI (minutes per year)	The objective is to improve reliability of power supply by reducing interruption duration and frequency, thereby ensuring better continuity of service for consumers.	GEPCO will undertake preventive maintenance of the network, strengthen overloaded feeders and transformers, improve protection systems, and enhance fault detection and restoration mechanisms. Reliability improvement initiatives will be supported through approved investments plan for STG, ELR & DOP as already explained above.
		SAIFI (times per year)		
3. Safety	3.1. Development & Strengthening of Safety Management System	No. of safety trainings conducted.	The objective is to institutionalize a comprehensive safety culture within the organization and improve workplace safety practices.	GEPCO will conduct regular safety trainings, enhance safety awareness among employees, implement standard operating procedures, strengthen safety inspections, and improve compliance with safety regulations. Dedicated safety management mechanisms will continue to be strengthened across all operational levels.

Strategy Area	Strategic Goals	Measurement Mode	Primary Objective	Strategic Goals – Achievement Strategy
	3.2. Removal of Safety Hazards	No. of safety Hazards Removed	The objective is to identify and remove hazardous conditions in the distribution network to protect both the public and company employees.	GEPCO will conduct periodic safety surveys, identify hazardous poles, transformers, conductors, and weak network sections, and allocate adequate resources for rectification works. An amount of Rs. 255 million has been allocated for Safety Hazard Removal & Earthing during the business plan period (FY 2026-27 to 2028-29).
	3.3. Earthing/ Grounding	No. of Structures/ Poles/ distribution transformers earthed	The objective is to improve electrical safety and system protection through proper earthing and grounding of distribution infrastructure.	GEPCO will continue earthing and grounding of existing and newly installed poles, structures, transformers, and associated network infrastructure in accordance with prescribed safety standards. A dedicated allocation of Rs. 255 million for Safety, excluding Rs 2,191 million allocated for earthing and grounding, has been approved under the Investment Program. Expansion of the network through new grid stations, transmission lines, and HT/LT development works will also be accompanied by proper grounding and protection arrangements. Regular inspections and maintenance of grounding systems will be carried out to improve operational safety and reduce accident risks.

Strategy Area	Strategic Goals	Measurement Mode	Primary Objective	Strategic Goals – Achievement Strategy
	3.4. Safety Walks, seminars, public awareness	No. of Walks	The objective is to enhance safety awareness among employees and the general public and promote safe use of electricity.	GEPCO will organize safety walks, seminars, awareness campaigns, and community engagement activities. Public awareness through print, electronic, and social media platforms will also be strengthened to educate consumers regarding electrical safety.
	3.5. Reporting of Fatal/ Non-Fatal accidents (public & employees)	No. of Fatal/ Non-Fatal Accidents	The objective is to minimize accidents and establish an effective reporting and monitoring system for safety incidents.	GEPCO will ensure timely reporting and investigation of accidents, identify root causes, implement corrective actions, and strengthen safety compliance across all operational areas. Continuous safety monitoring and employee awareness programs will support the target of achieving zero accidents.
	3.6 Third Party Audit of HSE Manual implementation	HSE Audit	The objective is to independently assess the effectiveness of implementation of the Health, Safety and Environment (HSE) Manual across the organization, identify gaps in compliance with established safety procedures and standards, and strengthen the overall HSE Management System through continuous improvement and adoption of best practices.	GEPCO will undertake a phased approach for independent evaluation of its HSE Management System. During FY 2026-27, Terms of Reference (TORs) will be prepared and the bidding process will be completed for hiring a qualified third-party consultant. In FY 2027-28, a comprehensive third-party audit of HSE Manual implementation will be conducted across relevant operational and administrative functions to assess compliance, effectiveness, and areas requiring improvement. Based on the audit findings, corrective actions and mitigation

Strategy Area	Strategic Goals	Measurement Mode	Primary Objective	Strategic Goals – Achievement Strategy
				measures will be implemented during FY 2028-29 to address identified gaps, strengthen safety controls, improve regulatory compliance, and further enhance the organization's safety culture and performance.
4. Strategic Focus	4.1. Target for new connections	Number of '000' Connections Installed	The objective is to expand electricity access and meet growing consumer demand through installation of new electricity connections.	GEPCO will enhance planning for electrification works, improve resource allocation, expedite connection processing, and strengthen coordination between customer service and operational formations. Investments amounting to Rs. 8,401 million under SAP (DOP & ELR) works, including execution of 105 HT works and 2,300 LT works, together with expansion of grid and transmission infrastructure, will support electrification expansion and facilitate installation of the targeted number of new connections during the planning horizon.
	4.2. Conversion of conventional metering (Static and non-static) to AMI protocols.	> 25 kW	The objective is to modernize the metering system through implementation of Advanced Metering Infrastructure (AMI) for	The AMI rollout for consumers above 25 kW has already been completed, while implementation for 5–25 kW consumers is in final stages to be completed within FY 2025-26, thus achieving 100% AMI

Strategy Area	Strategic Goals	Measurement Mode	Primary Objective	Strategic Goals – Achievement Strategy
		5 - 25 kW	improved monitoring, billing accuracy, and operational control.	deployment on 3-phase connections. NEPRA has also allowed small-scale rollout of APMS/AMI projects for single phase consumer categories. Continuous expansion of AMI coverage will improve energy accounting, billing accuracy, operational control, and consumer services.
		< 5 kW		
	4.3 Credit Rating	Credit Rating of GEPCO	The objective is to improve the financial credibility and market confidence of GEPCO for future investment opportunities and financial sustainability.	GEPCO will improve financial management practices, strengthen governance mechanisms, maintain strong recovery performance, and improve operational efficiency. Coordination with financial institutions and rating agencies will also be undertaken to achieve and maintain credit ratings.
5. Infrastructure Development	5.1. SCADA Phase 4 roll-out at 132kV voltage level in coordination with NPCC	SCADA Implemented.	The objective is to improve monitoring, control, and operational efficiency of the power system through implementation of SCADA at the 132 kV level.	GEPCO has completed SCADA pilot project covering the full data centre and integration of 05 grid stations to evaluate operational effectiveness and system integration requirements. Subject to regulatory approval during the mid-term review or earlier, GEPCO plans gradual expansion of SCADA deployment across the network. Subject to the approval of NEPRA in case of review motion filed, an allocation of Rs. 2,728 million is envisaged for SCADA implementation.

Strategy Area	Strategic Goals	Measurement Mode	Primary Objective	Strategic Goals – Achievement Strategy
	5.2. Implementation of APMS	No. of APMS installed on general duty distribution transformers	The objective is to monitor the performance and loading conditions of distribution transformers through implementation of the Asset Performance Management System (APMS).	GEPCO will install APMS devices on distribution transformers, integrate them with monitoring systems, and utilize performance data for preventive maintenance and load management. NEPRA has allowed small-scale rollout of APMS/AMI initiatives, which will support monitoring of transformer loading conditions, improve asset reliability, and reduce transformer failures. The system will also facilitate data-driven maintenance planning and operational decision-making.
	5.3. Implementation of GIS Enterprise.	GIS Mapping of Network Phase 1 = HT Mapping Phase 2 = LT Mapping with consumers	The objective is to develop a comprehensive GIS-based mapping system for the distribution network and consumers for better planning and operational management.	GEPCO will continue GIS mapping of LT networks and consumers, regularly update HT network data, and integrate GIS with other IT systems including SCADA, AMI, APMS, and IBS platforms. An allocation of Rs. 60 million has been approved for GIS Mapping during FY 2026-27 to FY 2028-29. GIS-based mapping of the expanded network infrastructure under the approved investment program will support planning, asset management, fault localization, and operational decision-making.

8. The current of anticipated borrowing of the State-Owned enterprise, including borrowing by a subsidiary:

The Company obtained various foreign re-lent loan facilities through the Government of Pakistan (GoP) during the period 2009 to 2014 under financing arrangements with the Asian Development Bank (ADB) and Export-Import Bank of Korea for power distribution enhancement and rural electrification projects. These facilities were allocated to the Company under Government guarantee arrangements and carry interest ranging from 15% to 17% per annum, including relending interest and exchange risk cover fees, with repayment periods ranging from 15 to 30 years.

During the Business Plan period, GEPCO does not envisage any new long-term borrowing.

9. The accounting policies that the state-owned enterprise will apply for financial records and reporting:

Financial statements comply with accounting and reporting standards as applicable in Pakistan, which comprises of:

I. International Financial Reporting Standards (IFRSs) issued by International Accounting Standards Board (IASB) as notified under Companies Act, 2017.
II. Provisions and directives issued under Companies Act, 2017 and State-Owned Enterprises (Governance and Operations) Act, 2023.

Where provisions and directives issued under the Companies Act, 2017 differ from the IFRSs, the provisions of and directives issued under the Companies Act,2017 have been followed.

GUJRANWALA ELECTRIC POWER COMPANY LIMITED

STATEMENT OF FINANCIAL POSITION

	2023	2024	2025	2026 Prev.	2026 Revised	2027	2028	2029
ASSETS						Rs. in Mill.		
Non-current assets	76,479	92,879	119,772	154,076	148,322	177,290	210,567	229,570
Current assets	160,634	151,112	118,306	150,235	126,036	130,276	133,152	136,194
TOTAL ASSETS	**237,113**	**243,991**	**238,078**	**304,311**	**274,357**	**307,566**	**343,719**	**365,763**
EQUITY AND LIABILITIES						Rs. in Mill.		
Capital and Retain Earnings/(Losses)	(23,348)	(40,110)	(43,201)	(23,871)	(7,539)	1,384	13,416	27,755
Deposit for issuance of shares	23,349	25,684	28,813	25,684	28,813	28,813	28,813	28,813
Non-current liabilities	142,846	145,535	135,368	155,348	141,734	152,486	164,402	177,946
Current liabilities	94,266	112,882	117,099	147,149	111,350	124,883	137,088	131,249
TOTAL EQUITY AND LIABILITIES	**237,113**	**243,991**	**238,079**	**304,311**	**274,357**	**307,566**	**343,719**	**365,763**

10. Summary indicative balance sheet and profit and loss statement for the state-owned enterprise:

Profit & Loss Account Aggregate Business

Particulars	2022-23	2023-24	2024-25	2025-26 Prev.	2025-26 Revised	2026-27	2027-28	2028-29
Sales GEPCO	**305,023**	**335,786**	**362,783**	**400,302**	**396,132**	**392,326**	**417,285**	**441,388**
Cost of electricity	258,627	314,174	311,019	345,750	319,943	338,953	358,166	376,250
Gross profit	**46,396**	**21,612**	**51,764**	**54,552**	**76,189**	**53,373**	**59,118**	**65,138**
Amortization of deferred credit	1,417	1,575	1,870	2,295	2,141	2,391	2,720	3,105
	47,813	**23,187**	**53,634**	**56,846**	**78,330**	**55,763**	**61,838**	**68,243**
O & M Cost and Depreciation	31,577	35,968	40,035	42,412	39,533	43,667	46,602	50,692
Operating Profit/(loss)	**16,236**	**(12,780)**	**13,599**	**14,435**	**38,797**	**12,096**	**15,236**	**17,551**
Other income	8,076	6,935	8,130	2,180	2,826	2,885	2,946	3,011
EBIT	**24,311**	**(5,845)**	**21,729**	**16,615**	**41,623**	**14,980**	**18,182**	**20,562**
Finance costs & Taxation	(2,619)	(2,497)	(8,067)	(2,527)	(2,678)	(2,775)	(2,868)	(2,940)
Net Profit / (loss)	**21,693**	**(8,342)**	**13,662**	**14,088**	**38,945**	**12,205**	**15,314**	**17,622**

11. Consolidated summary indicative balance sheet and profit and loss statement for the state-owned enterprise and its subsidiary as a group.

GEPCO has no any subsidiary.

12. The proposed dividend declaration and distribution policy of the state-owned enterprise.

Since establishment in 1998, the GEPCO has not declared and paid any dividends. Fundings arising from the profits and other cash/non-cash resources are reinvested in the system expansion.

13. Description of any public service obligations and their impact on the forecasted financial outcomes of the state-owned enterprise:

Except for tariff subsidy arrangements, no instance of Public Service Obligation (PSO) is applicable in case of GEPCO. The said subsidies are being cleared by the Government of Pakistan through systematic process, therefore, no significant financial impact on GEPCO is arising. Currently, however, draft of a formal Public Service Obligation (PSO) Agreement for management and administration of Government funded such as tariff differential subsidies, tariff relief packages and specific discounts etc.; to be executed between the Federal Government and the DISCOs, including GEPCO, is under consideration for approval of the Federal Cabinet. The GEPCO Board of Directors has already concurred upon the signing of approved PSO Agreement. Accordingly, as soon as the approved draft of the Agreement is received, the same shall be executed. Except as mentioned hereinabove, no any PSO Agreement has so far been signed between the GEPCO and Government of Pakistan or any provincial government.

14. Any other matter directed to be included in this statement by the Federal Government:

Currently, Gujranwala Electric Power Company (GEPCO) has been placed on the active privatization list of the Government of Pakistan, which indicates that the Company is being considered for potential restructuring, private sector participation (privatization) and other privatization-related initiatives.

Planned Infrastructure & Network Development.

The Major infrastructure and network development outcome envisaged during the Business Plan Period, i.e. from baseline through progressive FY 2026-27 to FY 2028-29, are expected as tabulated below:

Sr#	Description	Unit	Existing	Addition	Final
1	No. of Grids	No.	68	5	73
2	Power Transformers	No.	209	16	225
		MVA	6,378	489	6,867
3	Transmission Lines (Circuits)	No.	134	18	152
		km	2,832	537	3,369
4	HT Feeders	No.	1,103	105	1,208
		km	26,046	803	26,849
5	Distribution Transformers	No.	113,849	1,197	115,046
		MVA	8,036	204	8,240
6	LT Feeders	km	19,095	593	19,688